

# journal

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## BPA funds renewable R&D

The Bonneville Power Administration has awarded nearly \$2 million in contracts to support research and development of renewable energy. The research will focus on wind, ocean wave and in-stream tidal technologies.

"Adding renewable wave energy to the mix, with no associated fossil fuel use or emissions, certainly fits well with our federal power supply portfolio and holds promise as our region's electricity needs continue to grow," BPA Deputy Administrator Steve Hickok said.

BPA will fund up to 65 percent of each project's first-year costs but not more than \$500,000 on a single project. Funding comes from BPA's sales of Environmentally Preferred Power (EPP) and Renewable Energy Certificates (REC) to utility customers and power marketers.

BPA has already begun its research and development solicitation process for fiscal year 2008. To learn more about BPA's Renewable Energy Request for Proposals, please visit the agency's Web site at: [www.bpa.gov/corporate/business/innovation](http://www.bpa.gov/corporate/business/innovation).

## BPA substations support wind energy

PPM Energy recently celebrated the completion of its Big Horn Wind Power Project in Bickleton, Wash. The Big Horn project is the largest of PPM's coast-to-coast fleet including 133 General Electric 1.5 megawatt turbines. At full capacity the project would produce up to 200 megawatts of wind power — enough electricity to light up about 60,000 homes.

BPA built the new Spring Creek Substation to interconnect the wind power from the Big Horn project to the Federal Columbia River Transmission System. Spring Creek is the ninth substation BPA has completed since 1998 for integration of wind farms. Brian Silverstein, vice president of BPA's Transmission's Operations and Planning, said the agency is committed to integrating more wind power for the region. "In 2006, BPA energized two new substations to integrate new wind power projects," said Silverstein, "and plans to integrate generation from five more wind projects before the end of 2007." Wind projects near completion include the Rock Creek Substation in Klickitat County, Wash., which will interconnect up to 350 megawatts of power from the Goodnoe Hills



*Big Horn Wind Power Project.*

and White Creek Wind Projects to the federal system, and the interconnection of up to 900 megawatts of power generated by the Klondike III and Biglow Canyon Wind Projects in Sherman County, Ore.

## Congestion management pilot launched

BPA executed agreements to implement a pilot program to test a new redispatch strategy developed to help resolve congestion on its transmission system. The pilot program started June 26 and will run through Sept. 30, 2007. The test will focus on congestion affecting four transmission paths on the BPA grid — two on the I-5 corridor (Paul-Allston and South-of-Allston) and two in central Washington (North-of-Hanford and North-of-John Day). Ultimately, BPA will study whether to develop an approach using redispatch to relieve congestion that can be extended to the entire region.

During the pilot program, BPA will test an information system designed to determine if and when specific generators need to adjust their output in order to relieve congestion. If no events occur during the summer that allow BPA to implement this approach,



BPA will simulate such events. The goal is to give the approach as rigorous a test as possible, yet remain within the budget set aside to run the pilot.

When BPA discovers that the operating transfer capability of a transmission path has been or is about to be exceeded, BPA will refuse new hourly reservations over the next and subsequent hour until the system is sufficiently stable.

After an evaluation of the pilot program is completed in the fall, BPA will hold a public meeting to present the results of the pilot program and help establish how well it worked and where more work needs to be done. Plans for the future already include developing a methodology that would give BPA the ability to forecast network flow levels in advance of the operating hour and, as a result, determine available transfer capability and the impact of hourly sales on that capability. With these tools and information, BPA could refuse the specific hourly nonfirm and firm transmission schedules that would cause the system to exceed its operating transfer capability.

### **Hearing held on fish plan**

A status hearing was held June 20 to determine the progress of a National Oceanic and Atmospheric Administration draft Biological Opinion (BiOp). The purpose of the BiOp, which is part of a broad salmon recovery effort, is to determine whether actions proposed by federal action agencies will pose jeopardy for threatened and endangered species.

At the hearing, U.S. District Judge James Redden extended the deadline for the draft BiOp to Oct. 31, 2007. The judge said he would hold a status conference in early November to decide how long parties would have to comment on the draft BiOp and how long NOAA would have to produce a final document. The judge also suggested he might convene a scientific panel under the rules of the federal court to review the draft BiOp.

### **BPA holds meetings on exchange benefits**

BPA is meeting with investor-owned and public utilities to find common ground and work toward a long-term resolution of how residential exchange benefits should be shared. The content of these meetings will be discussed with the public in August. More information on the public's opportunity to participate in this process will be available soon.

The meetings are a result of a May 3 ruling by the 9th Circuit Court of Appeals that found a 2000 settlement on residential exchange benefits was illegal. BPA's Residential Exchange Program was established by the Northwest Power Act of 1980 with the goal of providing rate relief to certain Northwest customers served by high-cost utilities.

The act allows BPA to offer a portion of its low-cost power to the utilities it serves that own higher-cost generating facilities. In return, BPA purchases an equal amount of power from these utilities at their higher average system cost. No power actually changes hands. Rather, the exchange is a monetary transaction. In return for the low-cost power these utilities receive, they are required to pass the savings on to their residential and small-farm customers in the form of lower rates. The court found that the settlement of these residential exchange benefits had been done in a way that was not consistent with the act.

### **Cannady selected as Chief Risk Officer**

Samuel Cannady was recently selected as BPA's new chief risk officer. Deputy Administrator Steve Hickok announced Cannady's selection June 12 after a long, nationwide recruiting effort.

Cannady earned a Bachelor of Science degree in electrical and computer engineering from Oregon State University, a Master of Business Administration degree from Tulane University, and a Juris Doctor degree from the Northwestern School of Law at Lewis and Clark College. For the last seven years, Cannady has led the development of the Middle Office function of PacifiCorp's expanded risk management operation and served as the independent risk manager for the regulated utility business.

Cannady said he welcomes the challenge of the position and looks forward to both leading and supporting. "These are challenging times for the electric power industry. A well integrated, enterprisewide risk management discipline is now recognized as an essential element of a successful energy business. Risk management can add significant value to the BPA equation as the Western energy business environment continues to evolve."

### **Tacoma Narrows crossing completed**

BPA and Tacoma Public Utilities recently celebrated completion of Tacoma Power's Tacoma Narrows transmission line.

Rebuilding the line, which was originally built 81 years ago, was a challenging project. One of the longest crossings in the world, the 6,240 foot long line extends the length of the Tacoma Narrows. To construct the crossing, Tacoma Power and BPA combined efforts. Tacoma Power paid \$4 million of the \$16 million cost, and BPA paid the remainder.

"This project is a successful example of BPA and Tacoma Power partnering on transmission infrastructure projects to improve service to the people of the Pacific Northwest," said Mark Gendron, BPA vice president of requirements marketing. The Tacoma Narrows crossing provides power to BPA customers on the Key and Kitsap peninsulas.

## FISH AND WILDLIFE – PROJECTS UNDER REVIEW

### Chief Joseph Hatchery Program – Okanogan County, Wash.

The Northwest Power and Conservation Council recommended that BPA study a program sponsored by the Confederated Tribes of the Colville Reservation to assist in conservation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. This program would include a new hatchery near the base of Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin. The use of the proposed facilities to reintroduce spring chinook salmon to historical habitats in the Okanogan subbasin is also being considered. The program would augment the ceremonial and subsistence harvest of salmon for the Colville Tribes. This program would be designed to have no effect on the operational flexibility of Chief Joseph Dam. Comments on the draft EIS were accepted through June 18, 2007. Public meetings were held in Okanogan and Bridgeport, Wash. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Chief\\_Joseph/](http://www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/).

### Lyle Falls Fish Passage Project – Klickitat County, Wash.

BPA is preparing an EIS for the proposed Lyle Falls Fish Passage Project. The project addresses the modification and upgrade to the existing fishway in order to meet state and federal fish passage standards. The project would also facilitate the collection of valuable biological information. The draft EIS is being finalized with a scheduled release in August 2007. A public meeting to take comment will follow. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Lyle\\_Falls/](http://www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/).

### Northeast Oregon Hatchery Program, Grande Ronde-Imnaha Spring Chinook Hatchery Project – Wallawa County, Ore.

BPA has conducted value engineering, land acquisition and final design according to the initial ROD signed March 11, 2005. A ROD authorizing construction is planned for winter 2007/08. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Grand\\_Ronde/](http://www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/).

### Yakima Fisheries Project, Coho Reintroduction Feasibility Study Phase II – Yakima and Kittitas Counties, Wash.

BPA and the Yakama Nation are proposing to initiate Phase II of the Coho Reintroduction Feasibility Study under the Yakima/Klickitat Fisheries Project. The study will involve outplanting of juvenile and adult coho in a number of tributaries in the upper Yakima and Naches watersheds. Scoping was completed last fall, and a white paper describing the project and its impacts is available for public review. Comments will be accepted through July 9, 2007. A Supplement Analysis is anticipated in July. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Yakima\\_Fisheries/](http://www.efw.bpa.gov/environmental_services/Document_Library/Yakima_Fisheries/). (See close of comment)

## POWER – PROJECTS UNDER REVIEW

### Regional Dialogue – Regionwide

BPA is preparing the Long-Term Regional Dialogue final policy and ROD. For more information, see BPA's Web site: [www.bpa.gov/power/regionaldialogue](http://www.bpa.gov/power/regionaldialogue).

## TRANSMISSION – PROJECTS UNDER REVIEW

### Albeni Falls-Sand Creek Transmission Line Project – Bonner County, Idaho

BPA will replace poles on a section of the Albeni Falls-Sand Creek transmission line in northern Idaho and perform other upgrades to improve the reliability of the line. Approximately 340 wood poles will be replaced along about 25 miles of the existing transmission line. The project area is on an existing right-of-way from the Albeni Falls Dam to one mile north of BPA's Sandpoint Substation. In addition, 17 miles of the line will be reconducted to a larger conductor. Although construction would not begin until 2008 or 2009, BPA employees or contractors will be in the area through the summer performing various activities in support of the project, such as surveying for cultural resources and noxious weeds as well as reviewing the area for dangerous trees. An informational open house meeting is being planned for July/August. For more information, including the date of the open house, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### Caribou-Lower Valley Project (includes Hooper Springs Substation) – Caribou County, Idaho

BPA is proposing to build, own, operate and maintain the new Hooper Springs 138/115-kilovolt substation near a proposed PacifiCorp substation near Soda Springs, Idaho. BPA would connect to PacifiCorp's new substation (Threemile Knoll) to improve service to Lower Valley Energy. Lower Valley Energy would construct, own and operate a new 20-mile double-circuit 115-kV transmission line from BPA's new substation to a tap on the Lower Valley Energy transmission system between Lanes Creek and Valley substations. BPA is proposing to help fund this transmission line with a third-party financing arrangement. Lower Valley Energy is working to acquire all rights-of-way for the 115-kV line. Field work and design are planned for summer 2007. BPA expects to release a draft EA in fall 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### LaPine Substation – Deschutes County, Ore.

BPA proposes building a 140-foot communications tower at its LaPine Substation located near Finley Butte, Ore. The current structures are approximately 70-feet tall. This tower is part of a larger BPA project to replace outdated communications equipment with more reliable technology. No trees will be removed or topped, now or in the future. A lower tower height would require trimming or cutting a substantial number of trees since the terrain is relatively flat at the substation. The project site is about 2.6 miles east of Finley Butte and southeast of the town of LaPine, Ore. The Bend-Fort Rock Ranger District is preparing a categorical exclusion and your input will help identify important issues. This notice is being re-issued to clarify that this tower will be used exclusively by BPA and the public comment period has been extended. Public comments will be accepted through July 11, 2007. For more information, see BPA's Web site: [www.bpa.gov/corporate/public\\_affairs/comment.cfm](http://www.bpa.gov/corporate/public_affairs/comment.cfm). (See close of comment)



**Libby (Flathead Electric Cooperative)-to-Troy Section of the Libby-to-Bonniers Ferry 115-kV Transmission Line Rebuild – Lincoln County, Mont.**

BPA is proposing to rebuild a 17-mile section of the Libby-to-Bonniers Ferry 115-kilovolt transmission line to improve reliability and meet future load growth in Lincoln County, Mont. BPA is analyzing the environmental effects of the proposed project and reviewing the comments received during the scoping process. BPA expects to issue a draft EIS this summer, followed by a public meeting. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

**Olympic Peninsula Reinforcement Project – Thurston and Mason Counties, Wash.**

BPA is proposing to remove a 14.5 mile portion of an existing 115-kV transmission line between Olympia and Shelton substations and replace it with a double-circuit 230-kV line and add equipment at the two substations. This would improve voltage stability during winter-peak load conditions on the Olympic Peninsula. BPA expects to release a preliminary EA this summer. If BPA decides to proceed with this project, construction could begin in late 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

**Palisades-Goshen Transmission Line Rebuild – Bonneville and Bingham Counties, Idaho**

The Palisades-Goshen 115-kV transmission line was built in 1949. The line extends from Palisades Dam in eastern Idaho approximately 52 miles west to BPA's Goshen Substation south of Idaho Falls, Idaho. The majority of the wood poles and cross arms are in need of replacement. BPA proposes to rebuild this line due to its age and deteriorated condition to ensure safe and reliable transmission service. BPA held public meetings in Shelley and Irwin, Idaho. Field work will begin this summer and BPA expects to issue an EA in winter 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

**Port Angeles/Juan de Fuca Transmission Project – Port Angeles, Wash.**

Sea Breeze Olympic Converter LP has requested interconnection of a 550-MW transmission cable to the Federal Columbia River Transmission System. The cable would run from Vancouver Island, B.C., across the Strait of Juan de Fuca to Port Angeles, Wash. The draft EIS was released for review March 9. An open house and a public hearing were held April 10 and comments were accepted through April 24. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

**Shepherds Flat Wind Farm Interconnection Project – Gilliam and Morrow Counties, Ore.**

Lifeline Renewable Energy Inc. requested interconnection of up to 750 megawatts of power generated from the proposed Shepherds Flat Wind Farm that would be located in Gilliam and Morrow Counties, Ore. BPA proposes to interconnect up to 750 MW by expanding the existing Slatt Substation in Gilliam County. BPA will analyze project impacts in a tiered ROD under the Business Plan EIS. The ROD is scheduled to be completed in 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Wind/](http://www.transmission.bpa.gov/PlanProj/Wind/).

**Summer Falls/Main Canal Interconnection Project – Grant and Douglas Counties, Wash.**

BPA proposes to interconnect 122 megawatts of generation from Summer Falls and Main Canal hydropower projects to the federal transmission grid. BPA proposes to construct a new 230-kilovolt substation (Pinto Ridge) in Grant County and a new communications site (Banks Lake) in Douglas County to complete the interconnection by 2008. Seattle City Light and Tacoma Power requested the interconnection. They also requested that BPA construct six miles of new 115-kV transmission line between Main Canal and the new Pinto Ridge Substation, three miles of new 115-kV transmission line between Summer Falls and Pinto Ridge and a new 115-kV substation adjacent to the proposed substation. Seattle City Light and Tacoma Power would own these facilities. BPA, Seattle and Tacoma plan to work cooperatively to complete a combined state and National Environmental Policy Act process and associated environmental compliance. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

**TRANSMISSION – PROJECTS UNDER CONSTRUCTION**

**Klondike III/Biglow Canyon Wind Integration Project – Sherman County, Ore.**

BPA will interconnect the Klondike III and Biglow Canyon wind projects in Sherman County, Ore. The ROD was signed Oct. 25, 2006. Construction has begun on the John Day Substation and construction of the transmission line began May 14, 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Wind/](http://www.transmission.bpa.gov/PlanProj/Wind/).

**Rock Creek Substation – Klickitat County, Wash.**

Rock Creek Substation is under construction and will be complete in fall 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Wind/](http://www.transmission.bpa.gov/PlanProj/Wind/).

**CLOSE OF COMMENT**

**July 9, 2007** – Yakima Fisheries Project, Coho Reintroduction Feasibility Study Phase II

**July 11, 2007** – LaPine Substation

The Journal is a monthly publication of the Bonneville Power Administration. If you have questions or comments, or you want to be added to the mailing list for any project, call toll free (800) 622-4519.

To order copies of documents, call: (800) 622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 14428, Portland, OR 97293-4428. E-mail address: [comment@BPA.gov](mailto:comment@BPA.gov). BPA home page: [www.bpa.gov](http://www.bpa.gov). For details on BPA environmental reviews listed above, including site maps and documents issued to date, see [www.efw.bpa.gov/environmental\\_services/nepadocs.aspx](http://www.efw.bpa.gov/environmental_services/nepadocs.aspx). Process Abbreviations: EA-Environmental Assessment, EIS-Environmental Impact Statement, ESA-Endangered Species Act, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision.

